Proper utilization of foreign exchange reserve

† 1526. SHRI JANESHWAR MISHRA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Government is unable to make optimum utilization of foreign exchange reserve;

(b) if so, whether it is also a fact that if foreign exchange reserve's were not properly utilized, they would distort exchange rate thereby causing huge losses to the export industry;

(c) whether Government is going to formulate any action plan for proper utilization of foreign exchange reserve; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) The foreign exchange reserves are fully utilized. The Reserve Bank of India invests foreign exchange reserves in multi-currency, multimarket portfolios.

(b) to (d) Does not arise.

Rise in prices of essential commodities

1527. SHRI MATILAL SARKAR: Will the Minister of FINANCE be pleased to state:

(a) the extent of rise of prices of food-grains and other essential commodities from April, 2006 to October, 2007.

(b) the reasons other than demand-supply relation that have acted to accelerate price-rise;

(c) whether Government has made any assessment as to what extent the Minimum Support Price (MSP) reaches the farmers in reality; and

(d) the steps taken by Government in this respect?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) The monthly inflation measured in terms of WPI for foodgrains and composite index of 30 essential commodities has moderated in recent months. Month-wise detail of inflation since April 2006 is indicated below:

WPI based monthly inflation (%)

Period	Foodgrains (5.01 weight)		Essential commodities (17, 63 weight)	
	2006-07	2007-08	2006-07	2007-08
1	2	3	4	5
Apr.	8.60	8.48	5.91	3.26
May	9.77	7.22	7.64	1.67
June	8.95	6.45	8.59	0.85
July	7.52	7.70	5.44	2.84
Aug.	8.30	7.26	5.30	2.73
Sep.	10.96	4.21P	7.24	1.19P
Oct.	12.62	2.71P	7.66	0.50P
Nov.	12.68	.—	6.63	—
Dec.	13.10	—	6.42	—

†Original notice of the question was received in Hindi.